Supreme Court, U.S.
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NO: _____

In The
SUPREME COURT OF THE UNITED STATES

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ROBERT L. GIULIANI,

Petitioner,

v.

THE UNITED STATES OF AMERICA and
THE UNITED STATES COMMISSIONER OF PATENTS,

Respondents.

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On Petition For Writ Of Certiorari
To The United States Court Of Appeals
For The Federal Circuit

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# PETITION FOR WRIT OF CERTIORARI

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31Pg

1. DO THE RESPONDENTS INFRINGE THE U.S. CONSTITUTION'S SUPREMACY BY FORCING THE PETITIONER INVENTOR TO PAY PATENT FEES FOR THE INVENTOR'S ART I, SEC 8, CLAUSE 8 (CLAUSE 8) PROTECTION AND DENY THE AMEND 5 RIGHT BY ABANDONING THE PETITIONER'S ISSUED PATENTS FOR FAILURE TO PAY THEIR ONGOING PATENT FEES?

2. DID THE SUPREME COURT GRANT CONGRESS "PLENARY" POWER TO IMPOSE PATENT FEES UPON INVENTORS FOR THEIR CLAUSE 8 PROTECTION AND DENY THEIR AMEND 5 RIGHT TO JUST COMPENSATION FOR FAILURE TO PAY THE FEES?

3. ARE THE RESPONDENTS DISPARAGING THE PETITIONER'S CLAUSE 8 PROTECTION IN VIOLATION OF THE PETITIONER'S AMEND 9 RIGHT?

4. CAN THE CONSTITUTIONALLY INFERIOR COLLATERAL ESTOPPEL BE USED TO BLOCK LITIGATION TO CONSTITUTIONAL RIGHTS AND PROTECTIONS?

TABLE OF CONTENTS


| | Page |
|---|---|
| QUESTIONS PRESENTED | i |
| CITATIONS OF REPORTS | iv |
| BASIS FOR JURISDICTION | iv |
| CITED AUTHORITIES | iv |
| CONCISE STATEMENT OF THE CASE | 1 |
| CONCISE ARGUMENT | 4 |
| CONCLUSION | 9 |
| APPENDIX A | 11 |
| APPENDIX B | 12 |
| APPENDIX C | 14 |
| APPENDIX D | 15 |
| APPENDIX E | 17 |
| APPENDIX F | 21 |
| APPENDIX G | 22 |

## CITATIONS OF REPORTS

Petitioner knows of no citations of the orders entered in this case. There were no known reports.

## BASIS FOR SUPREME COURT JURISDICTION

(i). Orders and dates sought to be reviewed are: (1) the Federal Circuit's final order dated JUL 31, 2001 (App. A) (2) its order Granting the Director's Motion for Summary Affirmance dated 27 FEB 2001 (App. B) (3) the District Court's first order dated 28 FEB 2000 (App. E) and (4) its final order dated 25 APR 2000 (App. D). Sup. Ct. R 11 is not applicable.

(ii). Orders respecting rehearing (1) Federal Circuit's Order dated July 31, 2001 (2) 9th Circuit's order dated 7 FEB 2001 and (3) District court order dated 25 APR 2000.

There was no order granting an extension of time to file this petition for a writ of certiorari.

(iii). Rule 12.5 is not applicable.

(iv). Statutory provision that confers review jurisdiction on the Supreme Court is 28 USC Sec 1254.

(v). The Rule 29.4(b) or (c) is not applicable.

## CITED AUTHORITIES


Cases: Page

Giuliani v. U.S. 8 USPQ2d 1095,1096, July 20, 1988; 11 USPQ 2d 1656 May 8, 1989 . . . . . 10, 15, 18

McClurg v. Kingsland, 42 U.S. (1 How.) 202,206 (1843) . . . . . 1, 4-7, 13, 17, 20

Constitutional Provisions:

Amend 5 . . . . . ii, 1, 2, 7-9, 22

Amend 9 . . . . . ii, 2, 8, 22

ART 1, Sec 8, Clause 8 . . . . . ii,1, 2, 4-9, 15, 18, 19, 22

ART 2, Sec 2, par 2 . . . . . 1, 22

ART 6, par 2 ..... 4, 6, 7, 8, 22
ART 6, par 3 ..... 2, 6, 7, 22
Congressional Act PL 99-607 ..... ii, 1, 4, 6-10, 21
Statutes:
28 USC sec 1291 ..... 22, 23
28 USC sec 1292 ..... 22, 23
28 USC sec 1294 ..... 23
28 USC sec 1295 ..... 2, 22, 23
28 USCS sec 1331 ..... 1, 2, 4, 23
28 USC sec 1`338 ..... 2, 23
28 USCS sec 1346(a)(2) ..... 24
35 USC sec 102 ..... 5, 24
REGULATIONS
37 CFR sec 1.9 ..... 8, 25
37 CFR sec 1.16 ..... 8, 25
37 CFR sec 1.18 ..... 25
37 CFR sec 1.20 ..... 8, 25

## CONCISE STATEMENT OF THE CASE

The U.S. Constitution's supremacy is in doubt here.

The Petitioner is an inventor. The Respondents use an Act of Congress, PL 99-607 SECTION 1, (App. F) to force inventors to pay patent fees for the inventors' U.S. Constitutional protection in ART I, Sec 8, Clause 8 (Clause 8)[1] [2] and deny the Amend 5 right to just compensation by taking the inventor's patented private property, Clause 8 protected, inventions for failure to pay the fees.[3] The lower courts ordered that the fees can be enforced. They rely heavily on McClurg v. Kingsland 42 U.S. (1 How.) 202, 206 (1843), which supports the Petitioner's case against the fees. See Concise Argument.

The Petitioner sued the Respondents in this case in the Hawaii Federal District Court under 28 USCS Sec 1331, claiming that the patent fees (1) infringe the Petitioner's Clause 8 protection (2) deny the protection and the Amend 5 right to just compensation for the Petitioner's unassigned Clause 8 protected, private property inventions that the Patent & Trademark Office (PTO)

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[1] 35 USC Sec 100(a) invention means invention or discovery. App. G.

[2] 35 USC Sec 154(a)(2) Limited time for inventors means "term of patent". App. G.

[3] Petitioner made clear to the lower courts that this case (1) only includes inventors' protection for their respective Clause 8 discoveries (2) does not object to any other part of the patent process or the use of the patent document to disclose and claim the inventor's respective discoveries (3) unless otherwise ordered by a court, the Petitioner represents only himself although being one in a large class of inventors and potential inventors that this civil action unavoidably involves (4) does not include authors for their Clause 8 protection and (5) excludes inventors who are protected solely by foreign powers whose rights stem from statute via treaty (ART 2, sec 2, par. 2) and every other entity of every kind who gains an interest in an invention in any manner.

abandoned to public use for failure to pay the ongoing patent maintenance fees and (3) Amend 9 violation for years of knowingly disparaging the Petitioner's Clause 8 protection and Amend 5 right by the Respondents who are oath bound to protect them.[4] ART 6, par 3.

The judge dismissed. (App. E).

The Petitioner filed a motion for a new trial that included PTO documents showing that six earlier patents issued to the Petitioner after paying the issue fees were abandoned by the PTO, without compensation, for failure to pay the ongoing patent maintenance fees.[5] The judge's final order (App. D) denied the Petitioner's motion for a new trial writing: "Plaintiff's wholesale reliance on the Constitution is misplaced. . . .. the Supreme Court is the final arbiter of the Constitution's meaning." Then dismissed the case.

Petitioner filed an appeal in the 9th Circuit Court who transferred this case to the Federal Circuit Court. Petitioner filed a motion in the 9th Circuit for reconsideration of the transfer on the basis that "The issues are entirely Constitutional. The jurisdiction of the district court was invoked under 28 USCS sec 1331. The jurisdiction . . . was not based in whole or in part on 28 USC Sec 1338. See 28 USC Sec 1295(a)(1)." (App. G). The

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[4]Unquestioned evidence to the courts showed that Petitioner brings this case after years of unsuccessfully petitioning the patent commissioner, congress and others for the Clause 8 and Amend 5 rights, during which time, the PTO abandoned and infringed the Petitioner's protection and right to six Clause 8 protected inventions that were under patents.

[5]The patent nos. evidenced to the district court are: 4,089,504; 4,498,430; 4,632,081; 709,883; 803,890; 4,819,494. None were questioned.

9th Circuit rejected the Petitioner's motion (App. C) and the case was transferred to the Federal Circuit.

Petitioner first learned of the transfer upon receiving the defense lawyers' motion for Summary Affirmance filed in the Federal Circuit, *which showed the wrong case number.* Petitioner copied the same wrong case number onto his responding motion, not realizing that it was bait until receiving the Federal Circuit's first order dismissing the case saying, "Giuliani has not responded." (App. B). The Federal Circuit's order had the correct case number. Petitioner refiled his motion with the correct case no. taken from the order, with an explanation, within the time allowed. Petitioner received no answer from the Federal Circuit to his question of how the Court had the defense' motion with the wrong case number but did not have the Petitioner's response with the same number. The Defense' motion filed in the Court must have been before the court because the information in the court's order was based on the same information in the defense' motion received by the Petitioner. The Federal Circuit granted the Defendant's motion for summary affirmance.[6] (App. B).

Petitioner filed a motion for reconsideration, which was denied. (APP. A). Petitioner is filing this petition for writ to get the inventor's Const. protection and rights.[7]

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[6]Six additional PTO lawyers were added including one Albin Drost who was also suspected to be on the Federal Circuit's board of advisors. Was he effectively the real judge and defense lawyer?

[7]It is not known whether to petition for a writ to the 9th Circuit since the Federal Circuit had no statutory jurisdiction because the issues are not patent issues. Petitioner brought the issues and reminded both Circuit courts that they are exclusively Const. issues, which the Circuit courts failed to accept.

No other part of the patent system is at issue here. Concisely speaking, that is where this case now stands on this petition for a writ of certiorari.

(ii). The basis for federal jurisdiction in the district court of 1ST instance is 28 USCS sec 1331. (App.G). Petitioner made an attempt to file original jurisdiction in the Supreme Court without knowing its rules at the time. The attempt was rejected in a letter response dated May 31, 1996, suggesting proceeding through the lower courts. The letter was evidenced in the Circuit Courts.

## CONCISE ARGUMENT

Clause 8 clearly does not delegate power to Congress to force an inventor to pay fees for the Clause 8 protection but that is what is happening under an Act of Congress disguised as law, PL 99-607 Section 1. (App. F). It is not enforceable as law upon "an independent inventor" because it fails to agree with the U.S. Constitution, which it must do. ART 6, par 2.

The defense and lower court rely heavily on a Supreme Court Order to grant Congress "plenary" power in the area of patents that they interpret to extend to forcing patent fees upon inventors for their Clause 8 protection. Mclurg v. Kingsland, 42 U.S. (1 How.) 202, 206 (1843).

The Federal Circuit echoed the district court (App. B): '. . . Congress has plenary power to impose conditions on the vesting of patent rights, such as the payment of fees, and "no person has a vested right to a patent." See McClurg v. Kingsland, 42 U.S. (1 How.) 202,206 (1843).'

But two parts of McClurg at p. 206 rebut the lower courts and support the Petitioner. The 1st part:

> ". . . the powers of Congress to legislate upon the subject of patents is plenary by the terms of the Constitution, and as there are no restraints on its

exercise, there can be no limitations of their right to modify them at their pleasure, so that they do not take away the rights of property in existing patents." emphasis added.

The 2nd part:

'In Pennock v. Dialogue, this court held, in 1829, "That, if an inventor makes his discovery public, without objection or assertion of claim to the invention, of which the public might take notice; he abandons the inchoate right to the exclusive use of the invention, to which patent would have entitled him, had it been applied for, before such use, and that it makes no difference in the principle, that the article so publicly used; and afterwards patented, was made by a particular individual who did so by the private permission of the inventor." . . .' emphasis added.

A reading of the entire McClurg case shows that it focuses entirely on the inventor's responsibilities before filing for a patent. That issue is resolved in 35 USC sec 102. (App. G). It is not an issue in this case because patent fees are not imposed before the patent application. The Clause 8 protection period begins with patent application and ends when the Clause 8 limited time (term of patent)[8]ends. That is when all the patent fees are enforced upon the inventor.

McClurg's 2nd part admits that the inventor "abandons the inchoate right . . ., to which a patent would have **entitled him,** had it been applied for, . . . ". The word "entitled" means right. It does not mean privileged, subject to fee payment. McClurg admits that a patent entitles the inventor to an inchoate right to his invention.

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[8]See footnote 2.

McClurg supports the Petitioner's argument and contradicts the defense lawyers and lower courts orders.

The McClurg order supports the Petitioner. But even if the lower courts' interpretation is correct, the Supreme Court has no power to grant Congress "plenary" power to infringe and deny any part of the Const. without defeating the Const. as the supreme law. ART 6, par 2. The Const. can only be amended by its ART 5 terms. A Congressional Act and court orders are not enough.

The district judge wrote in his final order (App. D): "Plaintiff's wholesale reliance on the Constitution is misplaced. . . .. the Supreme Court is the final arbiter of the Constitution's meaning. . . .". Was his pledge to support the Const. or his misinterpretation of the Supreme Court's order? ART 6, par 3. The lower courts and all their defense lawyers were repeatedly reminded of their pledges to do what they compel me to do for them against their opposition in this case at great cost and hardship to me.

Then that judge cited Clause 8 in his order (App. D): ". . ., the Inventions Clause delegates plenary power to Congress to legislate on the subject of patents. See U.S. Const. art. I, sec 8, cl. 8."

Petitioner argued that "the Inventions Clause" (Clause 8) neither specifically delegates nor implies "plenary power" to demand payment for the Clause 8 protection. The words "independent inventor" must be erased from PL 99-607 before it can agree with Clause 8 or McClurg. Id.

Constitutional protections are not for sale and an unconstitutional Act of Congress disguised as law, PL 99-607, cannot make it so by selling Clause 8 protection to inventors, which the Federal Circuit labels "patent laws". (App. A). That is what is happening and that is what brings this case.

Petitioner contends that neither Clause 8 nor McClurg nor any other cite can be interpreted to infringe Clause 8 or Amend 5 protections without defeating the Const. as the supreme law with which all other laws and court orders must agree. ART 6, par 2.

Under PL 99-607, Section 1., Clause 8 protection belongs to them (including non-inventors) who are able and willing to pay for it and denied to inventors who are unable or unwilling to pay. The PTO continues enforcing the fees upon the Petitioner and other inventors[9], in spite of undenied evidence of the Petitioner's many appeals to the PTO Commissioner and others for years, reminding them that they are oath bound to support Clause 8. ART 6, par 3. The Commissioner has a congressional liaison office to convey the issue to Congress.

In a motion to the district judge for a new trial, Petitioner included undenied evidence of six of his issued patents[10] that the PTO abandoned for failure to pay patent fees. That judge wrote in his final order (App. D), citing his 1st order (App. E): "In its order, this court held that the fee requirements do not work a Fifth Amendment taking because no person has a vested right to a patent." That order contradicts McClurg. Id.

Petitioner argued that a vested right "to a patent" is not the issue. Vested right to the full Clause 8 protection and Amend 5 right is at stake here. McClurg Id. Petitioner claims to have a vested right to Clause 8

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[9]As an example, Petitioner used the Cassis computer system to count the first 177 denied patents due to failure to pay patent fees out of nearly 1,000 listed in the Patent Office Gazette for the week Jan 23, 2001. Of the 177, there were 59 unassigned patents (roughly 30%) that belonged to inventors. Footnote 3(3),(5).

[10]See footnote 7.

protection for his Clause 8 qualified inventions and to Amend 5 right to just compensation by being a Constitutionally protected U.S. Citizen.

Respondents' power to take the inventor's Clause 8 protected inventions for public use under Amend 5 *with just compensation to the inventor* is not an issue. But the taking for failure to pay patent fees *is always* done before the Clause 8 "limited time" (term of patent) expires and always without compensation.

The Petitioner repeats that the term "independent inventor" must be erased from PL 99-607, Section 1 (App. F) before it will agree with the Const., which it must do. ART 6, par 2. It is codified in 35 USC Sec 41 (1994 Supp V 1999). (App. G). It is then reduced to detail by the PTO in 37 CFR Sec 1.9(c)(f), Secs 1.16-1.20. See App. G for minimum fees.

The district court's use of collateral estoppel to prevent the petitioner from suing the respondents to get a Constitutional protection disparages the petitioner's rights protected by Amend 9.[11] Petitioner's Amend 9 protected right was also disparaged by the judges' and defense lawyers' and others[12] refusal to support the Constitution as they are oath bound to do. The Petitioner repeatedly reminded them of their oaths.

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[11]Legitimate use of collateral estoppel is not an issue but questions the courts' using it to bar action against governments for a Constitutional right or protection, especially when petitions have failed and the earlier case was dismissed "without prejudice." Giuliani v. U.S., 8 USPQ2d 1095,1096 (July 20, 1988), 11 USPQ2nd 1656. The Constitution is the supreme law with which all other laws must agree, not the reverse. ART 6, par 2. Collateral estoppel doctrine cannot be used to infringe the Const. without defeating the Const. as the supreme law.

[12] See footnote 4.

As a matter of justice, unaffordable patent fees cause many inventors, disenfranchised from their Clause 8 and Amend 5 protection and rights, to be victimized. The Petitioner is only one of them. The fees are unaffordable for many inventors. The inventor's total minimum fees for each patent is $2,820.00 without any assurance of recovering the fees. (App. G). The petitioner's fees for his six patents that the PTO abandoned for failure to pay the patent fees would have been $16,920.00. Many times there is no recovery. Other times, the royalties, which are taxable as ordinary income, are so meager that they are no more than symbolic. That is a very unjust hardship to pay for a clear Constitutional protection and rights. Furthermore, it is the PTO that benefits by adding the inventors' abandoned patents to its data base to compare future applications for test of Clause 8 protection.

To further understand the significance of this case, its outcome will affect nearly every man, woman and child[13] who makes a Clause 8 discovery that promotes the progress of science. ART I, Sec 8, Clause 8 requires nothing more for its full protection.

Other entities also receive patent protection under PL 99-607 but their protection is not specifically provided for in the Constitution.[14] Theirs begin with PL 99-607 and Petitioner does not question congress' statutory powers to impose its patent fees upon them.

## CONCLUSION

This petition for a writ of certiorari should be granted with an Order that (1) the inventors' Constitutional rights and protection shall not be diminished and (2) the

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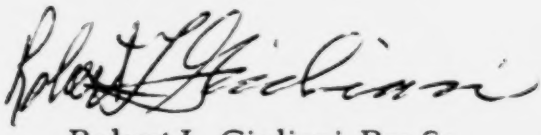
[13]See exclusions in footnote 3(3),(5).

[14]See exclusions footnote 3 (4),(5).

words "independent inventor" as used in PL 99-607, are unconstitutional (ART 6, par. 2) and (3) award the Petitioner full and just compensation including return of patent fees for all patents abandoned by the PTO, return of the $1,000.00 imposed by the Federal Circuit for daring to go to it for a Const. protection[15] and payment for the needless many years of time, effort and money expended to get Const. rights and protection over the intentional opposition of the 12 defense lawyers, judges and others who pledged themselves to support the Const.

Respectfully submitted,



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[15] See footnote 11.

## APPENDIX A

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT 01-1050

ROBERT L. GIULIANI, Plaintiff-Appellant,

v.

U.S. and THE DIRECTOR OF PATENTS AND TRADEMARKS, Defendants-Appellees.

ON MOTION

Before NEWMAN, GAJARSA, and LINN, Circuit Judges.

NEWMAN, Circuit Judge.

ORDER

Robert L. Giuliani moves for reconsideration of the court's order summarily affirming the district court's order dismissing Giuliani's complaint. Giuliani moves to supplement his motion for reconsideration. Giuliani moves to transfer his appeal to the U.S. Court of Appeals for the Ninth Circuit or the U.S. Supreme Court. Giuliani moves to certify questions of law to the Supreme Court.*

We conclude that there is no basis to alter the court's order summarily affirming the district court's dismissal order. . . .. In this case, we are the appropriate court to review the district court's order of dismissal.With respect to certification . . . The court does not seek instruction on the proper disposition of this case.

Accordingly, IT IS ORDERED THAT:

(1) Giuliani,s motion for reconsideration is denied.

(2) Giuliani's motion to supplement his motion for reconsideration is granted.

(3) Giuliani's motion to transfer is denied.

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*In ruling on the instant motions, the court reviewed and considered Giuliani's opposition to the United States motion for summary affirmance.

(4) Giuliani's motion to certify questions of law is denied.

FOR THE COURT

JUL 31, 2001 S/Pauline Newman

FILED U.S COURT OF APPEALS Circuit Judge
FOR THE FEDERAL CIRCUIT JUL 31, 2001

## APPENDIX B

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT 01-1050

ROBERT L. GIULIANI, Plaintiff-Appellant,

v.

U.S. and THE DIRECTOR OF PATENTS AND TRADEMARKS, Defendants-Appellees.

ON MOTION

Before NEWMAN, GAJARSA, and LINN, Circuit Judges.

NEWMAN, Circuit Judge.

ORDER

The Director of Patents and Trademarks moves for summary affirmance of the order of the U.S. District Court . . . dismissing Robert L. Giuliani's complaint. Giuliani has not responded.

In 1988, Giuliani filed a complaint in the Hawaii district court challenging the constitutionality of statutes and regulations requiring the payment of patent fees. The district court dismissed, holding that congress has the power to whom and upon what terms and conditions a patent shall issue, including the power to require payment of patent fees. This court affirmed.

In 1996, Giuliani filed another application with the PTO. When Giuliani failed to pay the issue fee, the PTO

determined the application to be abandoned. In 1999, Giuliani initiated another action in district court, again challenging the constitutionality of statutes and regulations requiring the payment of patent fees, and also alleging that his property was taken without just compensation when the PTO determined his application to be abandoned for failure to pay the issue fee. The district court dismissed, ruling that Giuliani was collaterally estopped from again challenging the payment of patent fees. The district court also held that there could not be a taking of a patent right before the payment of the requisite patent fees because no property right vests in a patent until the required fees are paid.

Summary affirmance . . . of a case "is appropriate, inter alia, when the position of one party is so clearly correct as a matter of law that no substantial question . . . exists." Joshua v. U.S., 17 F.3d 378, 380 (Fed Cir 1994) . . .. We agree with the district court's reasoning in dismissing Giuliani's complaint. Giuliani's challenge to the constitutionality of patent fees is identical to the issue litigated in Giuliani's 1998 action; therefore, the district court properly dismissed based on collateral estoppel. The district court also correctly held that there can be no taking until a patent issues because congress has plenary power to impose conditions on the vesting of patent rights, and "no person has a vested right to a patent." See McClurg v. Kingsland, 42 U.S. (1 How.) 202,206 (1843). Because no substantial question exists regarding the outcome of the appeal, the court summarily affirms the judgment of the district court.

IT IS ORDERED THAT:

(1) The Director's motion for summary affirmance is granted.

(2) All other motions are moot.
(3) Each side shall bear its own costs.
FEB 27 2001 s/Pauline Newman/
Circuit Judge
ISSUED AS A MANDATE FEB 27, 2001.
FILED FEB 27, 2001
U.S. COURT OF APPEALS FOR
THE FEDERAL CIRCUIT

**APPENDIX C**
UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

FILED OCT 19, 2000
ROBERT L. GIULIANI No. 00116017
Plaintiff, Appellant DC# CV-19-771-SPK
v. Hawaii (Honolulu)
UNITED STATES OF AMERICA;
et al, Defendants-Appellees ORDER
Before: PREGERSON, KLEINFELD and GOULD Circuit Judges

Appellees' opposed motion to transfer this appeal to the United States Court of Appeals for the Federal Circuit is granted. *See* 28 USC Sec 1631.

Appellees' opposed motion for an extension of time to file the answering brief is denied as unnecessary. In light of this court's decision to transfer this matter to the Federal Circuit, there will be no further briefing before this court. The clerk of the Federal Circuit will reset the briefing schedule.

A certified copy of this order and the original file of this court shall be transmitted by certified mail to the Clerk of the United States Court of Appeals for the Federal Circuit.

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**APPENDIX D**

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF HAWAII

ROBERT L. GIULIANI, Plaintiff, ) CIVIL NO. 99-00771 SPK-BMK

v.

U.S. . . . Commissioner of Patents and Trademarks, Defendants ) FILED IN THE U.S. DISTRICT COURT ) OF HAWAII APR ) 25, 2001 W.A.Y.H. CHINN. CLERK

ORDER DENYING PLAINTIFF'S MOTION FOR A NEW TRIAL AND AMENDMENT OF ORDER

In an order dated FEB 28, 2000 ("Order"), this court denied a motion for summary judgment filed by Plaintiff Robert L. Giuliani ("Plaintiff") and granted Defendants' motion to dismiss the above entitled case. Judgment was entered on March 7, 2000. Plaintiff now moves for a new trial and amendment of the judgment pursuant to Fed R. Civ. P. 59. Plaintiff raises four arguments in support of this motion.

First, Plaintiff argues that the court misapplied the collateral estoppel doctrine to bar relitigation of his constitutional claims based on Art I, Sec 8, Clause 8 of the Const. (the "Inventions Clause") and the 9th Amend. The premise underlying this argument is the fact that the case on which preclusion was based, Giuliani v. U.S., No.88-00287 ACK, 8 USPQ2d 1095 (July 20, 1988) ("Giuliani I") was dismissed without prejudice. Thus, . . . , he is not barred from relitigating the issue of whether the refusal of the . . . ('PTO") to issue him a patent absent

payment of fees violates the Inventions Clause and the Ninth Amend.

As this court recognized in its order, an issue is subject to preclusion under collateral estoppel when (1) . . . (2) . . . and (3) . . . . A dismissal without prejudice is generally not considered an adjudication on the merits of a controversy and thus is not entitled preclusive effect. See In re Duncan, 713 F.2d 538,544 (9th Cir. 1983). However, there is an exception. A dismissal without prejudice so long as the determination being accorded preclusive effect was essential to the dismissal. See Deutsh v. Flannery, 823, F. 2d 1361, 1364 (9th Cir. 1987) (citing Duncan, 713 F.2d at 544). In Duncan . . . denial. In the order, the district court denied the petition on the merits and gave notice that it would not again entertain the petitioner's claims. See id.

Here, the district court's order in Giuliani I clearly adjudicated Plaintiff's claims on the merits. The fact that judgment was entered without prejudice in that case does not alter the fact that the case was adjudicated on the merits. Accordingly, this court properly held that Plaintiff may not relitigate the issue of whether the Inventions Clause and the 9th Amend. entitle him to a patent without payment of fees.

Second, Plaintiff argues that the U.S. Constitution compels this court to amend the order to grant the relief he requests. The Plaintiff's wholesale reliance on the Constitution is misplaced. It is true that the Constitution is the supreme law of the land. However, it is a cornerstone of the American legal system that the Supreme Court is the final arbiter of the Constitution's meaning. See Marbury v. Madison, 1 Cranch 137 (1803). The Supreme Court has determined that the power of

Congress to legislate on the subject of patents is plenary by the terms of the Constitution. See McClurg v. Kingsland, 42 U.S. (1 How.) 202,206 (1843). Congress may therefore set the conditions on the issuance of a patent, such as the payment of fees.

Third, Plaintiff contends that the court erred in denying his claim of taking under the Fifth Amendment. In its order, this Court held that the fee requirements do not work a Fifth Amendment taking because no person has a vested right to a patent. See Order at 4. Plaintiff disputes this conclusion. In his view, the PTO "abandons the inventor's private property invention, secured by a valid patent, for public use without just compensation." Pl.'s Mem. in Supp. at 3. The argument begs the question. As discussed above and in the order, the Inventions Clause delegates plenary power to Congress to legislate on the subject of patents. See U.S. Const. art I, sec 8, cl. 8. Pursuant to this authority, congress has established the payment of fees as a prerequisite to the securing of a patent. Thus, no patent is valid or "secured" until such fees are paid. That being the case, Plaintiff's pending patent is not "property" subject to a taking absent payment of the necessary fees.

Plaintiff's motion is denied.

IT IS SO ORDERED.

Dated: Honolulu, Hawaii, April 25, 2000.

S/Samuel P. King

Samuel P. King

United States District Judge

## APPENDIX E

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF HAWAII

ROBERT L. GIULIANI, Plaintiff, ) CIVIL NO. 99-00771
v. ) SPK-BMK
U.S. . . . Commissioner of Patents ) FILED IN THE U.S.
and Trademarks, Defendants ) DISTRICT COURT
) OF HAWAII FEB 28,
) 2000
) W.A.Y.H CHINN.
CLERK

ORDER DENYING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT AND GRANTING DEFENDANTS' MOTION TO DISMISS

Plaintiff Robert L. Giuliani (Plaintiff) challenges the constitutionality of patent filing fees, issue fees and maintenance fees charged by the U.S. patent and Trademark office (PTO). Plaintiff asserts that the challenged fees violate ART I, Sec 8, Clause 8 of the U.S. Constitution, the Ninth Amendment, and the Fifth Amendment's proscription against governmental taking of property without just compensation. Plaintiff moves for summary judgment. In response, Defendants move to dismiss the complaint or, . . ., for summary judgment.

BACKGROUND

Plaintiff is an inventor and holder of six patents issued by the PTO. On April 12, 1988, Plaintiff filed a suit against the U.S. in the Hawaii district court challenging the constitu-tionality of the statutes and regulations requiring payment of patent fees. Judge Alan Kay dismissed the case, holding that congress had plenary power to legislate on the subject of patents and it may, . . . , put limitations on the right to a patent. Giuliani v. U.S., No. 88-00287 ACK, 8 USPQ2d 1095 (July 20, 1988). (Giuliani I). Plaintiff appealed to the 9th Circuit, which

transferred the appeal to the Federal Circuit. The federal Circuit affirmed.

On July 29,1966, Plaintiff filed a patent application with the PTO. In connection with the application, the PTO mailed him a Notice of Allowance and Issue Fee Due. Because Plaintiff did not pay the issue fee, the PTO mailed him a Notice of Abandonment. Plaintiff filed the present suit . . . on Nov 8, 1999. (Giuliani II). The complaint challenges the constitutionality of the statutes and regulations imposing fees on three grounds: (1) Congress violated ART I, Sec 8, Clause 8 . . . (the "Inventions Clause") by conditioning the "securing" of an inventor's exclusive right to her invention on the payment of money; (2) Congress' interpretation of its power under the Inventions Clause infringes the on the rights of an inventor under the Ninth Amendment; (3) the patent fees constitute an unlawful taking in violation of the Fifth Amendment.

Plaintiff has moved for summary judgment on all counts. Defendants have responded with a motion to dismiss or, . . . , for summary judgment.

III. DISCUSSION

A. COLLATERAL ESTOPPEL

Two of the Plaintiff's Constitutional challenges are barred under the doctrine of collateral estoppel. Collateral estoppel, . . . , bars the relitigation of issues actually adjudicated . . . between the same parties. Clark v. Bear Stearns & Co 966 F.2d 1318,1320 (9th Cir 1992) (citing 18 C. Wright et al., Federal Practice & Procedure Sec 4402 (1981)). Before an issue is subject to preclusion . . . . Id. In the present case, Plaintiff asserts the same constitutional claims based on the Inventions Clause and

the Ninth Amend. that he did in Giuliani I. Compare . . . the case. Plaintiff may not relitigate the issues now.

B. FIFTH AMENDMENT TAKING

The only claim remaining in Plaintiff's complaint is whether the patent fees constitute an unconstitutional 5th Amend. taking. Plaintiff's argument is that the fee requirements deprive him of the right to a patent without just compensation. Defendants do not dispute that a patent right can form the basis of a takings claim. Their contention is that there is no property right to take until the PTO grants the right to a patent. Since no right to a patent vests until the inventor pays the statutory fees, there can be no taking of a patent right prior to payment of the fees. The fee requirements, Defendants argue, are a valid exercise of Congress' plenary power to prescribe the terms and conditions on which a patent will issue.

The court agrees. No person has a vested right to a patent. McClurg v. Kingsland 42 U.S. (1How) 202,206 (1843); Boyden v. Commissioner of Patents 441 F.2d 1041,1043-44 (D.C. Cir. 1971); cert. Denied, 404 U.S. 842 (1971); Giuliani I, 8 USPQ2d at 1095-96. Congress does not effect a taking where, pursuant to its plenary power, it imposes conditions on the vesting of an inchoate patent right.

IV. CONCLUSION

Based on the foregoing, the court DENIES Plaintiff's Motion for Summary Judgment and GRANTS Defendants motion to dismiss.

IT IS SO ORDERED.

DATE: Honolulu, Hawaii Feb 28, 2000.

s/Samuel P. King/
SAMUAL P. KING

## APPENDIX F

100 STAT. 3470 PUBLIC LAW 99-607-NOV.6, 1986

Public Law 99-607

99th Congress

Nov 6, 1986/[H.R. 2434] An Act

To authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

(a) Purposes and Amounts. - . . . .

(b) Reduction of Patent Fees.-(1) Amounts appropriated under subsection (a) shall be used to reduce by 50 per centum each fee paid on or after October 1, 1985, under section 41(a) or 41(b) of title 35 United States Code, by- (A) an independent inventor or nonprofit organization . . . , or

(B) a small business concerned . . . .

(4) Section 41 of title 35, United States Code, is amended by adding at the end of the following new subsection:

"(h)(1) Fees charged under subsection (a) or (b) shall be reduced by 50 percent with respect to their application to . . . and to any independent inventor . . . as defined in regulations issued by the Commissioner of Patents and Trademarks.". . . .

Approved November 6, 1986.

LEGISLATIVE HISTORY-H.R. 2434: . . . .

## APPENDIX G

CONSTITUTION:

**Amend 5.** " . . . ; nor shall private property be taken for public use without just compensation."

**Amend 9.** "The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people."

**ART 1, Sec 8, Clause 8.** "Congress shall have power to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

**ART 2, Sec 2, par. 2.** "The President . . . shall have power, by and with the advice of the Senate, to make treaties, . . .".

**ART 6, par 2.** "This Constitution, and the laws made in pursuance thereof; . . . , shall be the supreme law of the land;".

**ART 6, Par 3.** "The senators and representatives . . . and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution; . . . ".

STATUTES:

**28 USC sec 1291.** Final decisions of district courts

The courts of appeals (other than the United States Court of Appeals for the Federal Circuit) shall have jurisdiction of appeals from all final decisions of the district courts of the United States, . . . , except where a direct review may be had in the Supreme Court. The jurisdiction of the United States Court of Appeals for the Federal Circuit shall be limited to the jurisdiction described in secs 1292(c) and (d) and 1295 of this title.

**28 USC sec 1294**. Circuits in which decisions reviewable. Except as provided in sections 1292(c), 1292(d), and 1295 of this title, appeals from reviewable decisions of the district and territorial courts shall be taken as follows: (1) From a district court of the United States to the court of appeals for the circuit embracing the district; (2) . . . for the District of the Canal zone, . . . (3) . . . District Court of the Virgin Islands . . . (4) District Court of Guam . . . Ninth Circuit.

**28 USC sec 1295**. Jurisdiction of the United States Court of Appeals for the Federal Circuit.
The United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction-
(1) of an appeal from a final decision of a district court of the United States, . . . , if the jurisdiction of that court was based, in whole or in part, on section 1338 of this title, except that a case involving a claim arising under any Act of Congress relating to copyrights, exclusive rights in mask works, or trademarks and no other claims under section 1338(a) shall be governed by secs 1291, 1292 and 1294 of this title; (2) . . ..

**28 USCS sec 1331** "The district courts shall have original jurisdiction of all civil actions arising under the Constitution, laws or treaties of the United States."

**28 USC sec 1338**. Patents, plant variety protection, copyrights, mask works, trade-marks, and unfair competition
(a) The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights, and trade-marks. Such jurisdiction shall be exclusive of the courts of the states in to patent, plant variety protection, and copyright cases . . ..

**28 USCS sec 1346(a)(2)** United States as defendant.
(a) The district courts shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of:
(1) . . . for recovery of any internal-revenue tax . . .
(2) Any other civil action or claim against the United States, not exceeding $10,000 in amount, founded upon the Constitution, or any Act of Congress, or any regulation of an executive department, . . ..

**35 USC sec 41.** Patent fees; . . . (a) The Director shall charge the following fees: . . .
(f) The fees . . . may be adjusted by the Director . . . to reflect any fluctuations in the Consumer Price Index, . . ..
(h)(1) Fees . . . shall be reduced by 50 percent . . . to any independent inventor as defined in regulations issued by the Director.

**35 USC sec 100** Definitions
When used in this title unless the context otherwise indicates – (a) The term "invention" means invention or discovery. . ..

**35 USC sec 102** . . .; novelty and loss of right to patent
A person shall be entitled to a patent unless- (a) the invention was known or used by others in this country, . . . , before the invention thereof by the applicant for patent, or (b) the invention was patented or described in a printed publication in this or a foreign country, or in public use or on sale in this country, more than one year prior to the date of application for patent . . . , or (c) he has abandoned the invention, or (d) the invention was first patented, . . . ,by the applicant or . . . in a foreign country prior to the date of application for patent in this country . . ..

35 USC sec 154 (a)(1) . . . Every patent shall contain . . . a grant to the patentee . . . . (2) Term.- . . . , such grant shall be for a term beginning on the date on which the patent issues and ending 20 years from the date on which the application for the patent was filed in the United States . . ..

REGULATIONS

37 CFR sec 1.9 Definitions. . . . (c) An independent inventor . . . means any inventor who (1) has not assigned . . . and (2) is under no obligation . . . to . . . assign any rights in the invention . . .

(f) A small entity as used in this chapter means an independent inventor . . ..

37 CFR sec 1.16 . . . application filing fees. (a) . . . By a small entity (sec 1.9(f)) - $345.00

37 CFR sec 1.18 Patent issue fees. (a) . . . By a small entity (sec 1.9(f)) - $605.00

37 CFR sec 1.20 .Post issuance fees.

(e) For maintaining an original . . . patent . . ., in force beyond four years ; . . .: By a small entity (sec 1.9(f)) - $415.00

(f) For maintaining an original . . . patent . . ., in force beyond eight years; . . .: By a small entity (sec 1.9(f)) - $950.00.

(g) For maintaining an original . . . patent . . ., in force beyond twelve years; . . .: By a small entity (sec 1.9(f)) - $1,455.00